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OF COUNSEL  
WILLIAM G. CONLY

May 15, 2006

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, ELM GROVE  
FIELD, Bossier Parish, Louisiana.

Dear Sir:

CHESAPEAKE OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

1. To dissolve the drilling and production units designated CV RA SU54 and CV RA SU55, created for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being shown on the attached plat.
2. To discuss such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Bienville and Webster Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B series of Orders.

Applicant is filing a companion application to unitize the lands covered by CV RA SU54 and CV RA SU55 as a part of the Sligo Field on a unit basis which is identical in area to CV RA SU54 and CV RA SU55.

Any pertinent data concerning this application will be available for inspection at the offices of Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person wishing to inspect any such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent

Honorable James H. Welsh  
May 15, 2006  
Page 2

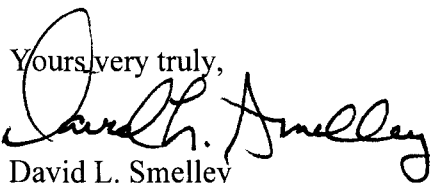
data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated May 3, 2006, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set May 25, 2006, as the tentative date for the pre-application conference. While notice of a desire to confer was received, the questions were answered without the necessity of a conference; accordingly, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the plat showing the units to be dissolved (which is identical to the plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,  


--  
David L. Smelley  
Attorney for Chesapeake Operating, Inc.

DLS:dp

Enclosures

cc: Mr. Jim Broussard (w/encl.)  
Mr. Les Rodman (w/encl.)  
Mr. Joe Adams (w/encl.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plat only)

### Consulting Geologist